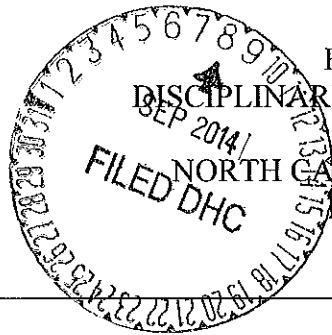


NORTH CAROLINA
WAKE COUNTY



BEFORE THE
DISCIPLINARY HEARING COMMISSION
OF THE
NORTH CAROLINA STATE BAR
14 DHC 30

THE NORTH CAROLINA STATE BAR,)	
Plaintiff)	
)	
v.)	COMPLAINT
)	
DAVID A. KIRKBRIDE, Attorney,)	
Defendant)	

Plaintiff, complaining of Defendant, alleges and says:

1. Plaintiff, the North Carolina State Bar (hereinafter "State Bar"), is a body duly organized under the laws of North Carolina and is the proper party to bring this proceeding under the authority granted it in Chapter 84 of the General Statutes of North Carolina and the Discipline and Disability Rules of the North Carolina State Bar promulgated thereunder.

2. Defendant, David A. Kirkbride (hereinafter "Kirkbride" or "Defendant"), was admitted to the North Carolina State Bar on August 22, 1992 and is, and was at all times referred to herein, an Attorney at Law licensed to practice in North Carolina, subject to the rules, regulations, and Rules of Professional Conduct of the North Carolina State Bar and the laws of the State of North Carolina.

Upon information and belief, the State Bar alleges:

3. During the times relevant herein, Defendant was not actively engaged in the practice of law in the State of North Carolina. Defendant resided in Raleigh, Wake County, North Carolina.

4. Prior to 2007, Defendant was engaged in the private practice of law. His practice consisted primarily of closing real estate transactions.

5. During the time Defendant was engaged in the private practice of law, he maintained two trust accounts with North State Bank with the account numbers ending in digits 4880 ("Trust 1") and 2358 ("Trust 2").

6. During the time Defendant maintained Trust 1 and Trust 2, Defendant did not total and reconcile the individual client ledger balances for each trust account with the

general ledger and adjusted bank statement balances for that trust account at least quarterly.

7. When Defendant ceased the private practice of law in 2007, the balance of funds in Trust 1 was approximately \$1,375.00. At that time, he did not disburse the funds in Trust 1 to the beneficial owners of the funds.

8. When Defendant ceased the private practice of law in 2007, the balance of funds in Trust 2 was approximately \$29,250.00. At that time, he did not disburse the funds in Trust 2 to the beneficial owners of the funds.

9. Defendant has not maintained client ledgers identifying each client whose funds are held in Trust 1 and Trust 2. As a result, Defendant can no longer identify the clients to whom these funds belong.

10. On or about July 6, 2011, Defendant made, or caused to be made, an online transfer of \$1,000.00 from Trust 2 to an account in the name of Chrysalis Consulting, Inc.

11. Defendant is the President of Chrysalis Consulting, Inc.

12. Defendant was not entitled to the funds transferred from Trust 2 to the account of Chrysalis Consulting, Inc.

13. Defendant transferred the \$1,000.00 from Trust 2 to the Chrysalis account for his own use and benefit.

14. Defendant misappropriated entrusted client funds in the amount of \$1,000.00 from Trust 2.

15. On or about July 13, 2011, Defendant transferred \$1,000.00 from the Chrysalis account into Trust 2.

16. On or about July 28, 2011, Defendant signed check number 11787085 in the amount of \$1,000.00 drawn from Trust 1 made payable to "Aria."

17. "Aria" is Aria Resort and Casino in Las Vegas, Nevada. Defendant used the funds to pay his personal debt to Aria Resort and Casino.

18. On or about August 1, 2011, check number 11787085 cleared the bank.

19. Defendant was not entitled to the \$1,000.00 written from Trust 1 to Aria.

20. Defendant misappropriated entrusted client funds in the amount of \$1,000.00 from Trust 1.

21. On or about January 8, 2013, Defendant authorized MGM Grand Hotel and Casino ("MGM") and Mirage Hotel and Casino ("Mirage") to obtain and verify Defendant's balance information for Trust 1 and Trust 2 by signing an authorization form.

22. By signing the authorization form, Defendant agreed to sign credit instruments, also known as markers or checks, for the amount of chips, tokens, cash or other credit issued to Defendant by the casinos.

23. The form Defendant signed authorized MGM/Mirage to insert on the credit instruments the account numbers and other banking or financial information for any account from which Defendant has the right to withdraw funds.

24. The authorization form Defendant signed had the effect of pledging the balances of all bank accounts for which Defendant was signatory, including Trust 1 and Trust 2, as security to satisfy any gambling debt of Defendant to the casinos or credit advanced to Defendant by the casinos.

25. Defendant did not exempt Trust 1 and Trust 2 from the accounts subject to the terms of the authorization referred to in the preceding paragraph. Defendant did not notify MGM/Mirage that the funds contained in Trust 1 and Trust 2 were not funds to which Defendant was entitled.

THEREFORE, the State Bar alleges that Defendant's foregoing actions constitute grounds for discipline pursuant to N.C.G.S. §84-28(b)(2) in that Defendant violated one or more of the Rules of Professional Conduct in effect at the time of the actions as follows:

a. By failing to total and reconcile the individual client balances with the current general ledger balance and adjusted bank balance in each trust account at least quarterly, Defendant failed to perform the requisite quarterly reconciliations of his general trust account in violation of Rule 1.15-3(d);

b. By failing to maintain client ledgers, Defendant failed to maintain a ledger containing a record of receipts and disbursements for each person or entity from whom and for whom funds are received and showing the current balance of funds held in the trust account for each such person or entity in violation of Rule 1.15-3(b)(5);

c. By failing to properly disburse the balance of the entrusted funds in Trust 1 and Trust 2 when he ceased the private practice of law, Defendant did not promptly pay or deliver to the client entrusted property belonging to the client and to which the client is currently entitled in violation of Rule 1.15-2(m) and failed to take steps to protect a client's interests in violation of Rule 1.16(d);

d. By misappropriating entrusted funds from Trust 1 and Trust 2 for his own personal benefit, Defendant used or pledged entrusted property to obtain personal benefit

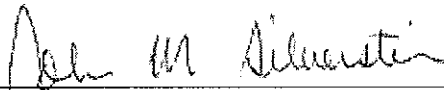
for the lawyer or any person other than the legal or beneficial owner of the property in violation of Rule 1.15-2(j), committed criminal acts (embezzlement) that reflect adversely on his honesty, trustworthiness or fitness as a lawyer in other respects in violation of Rule 8.4(b), and engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c); and

e. By pledging the balances of Trust 1 and Trust 2 to obtain credit at casinos, Defendant used or pledged entrusted property to obtain personal benefit for the lawyer or any person other than the legal or beneficial owner of the property in violation of Rule 1.15-2(j), and engaged in conduct involving dishonesty, fraud, deceit or misrepresentation in violation of Rule 8.4(c).

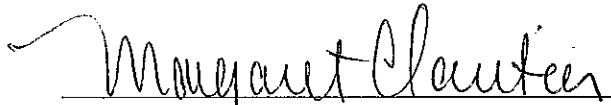
WHEREFORE, the State Bar prays that

1. Disciplinary action be taken against Defendant in accordance with N.C.G.S. §84-28 (c) and 27 N.C.A.C. 1B §.0114 as the evidence on hearing may warrant,
2. Defendant be taxed with costs and administrative fees in connection with this proceeding, and
3. For such other and further relief as is appropriate.

This the 8th day of September, 2014.



John M. Silverstein, Chair
Grievance Committee



Margaret Cloutier, Deputy Counsel
Attorney for Plaintiff
The North Carolina State Bar
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